

April 12, 1999, rescue mission of Mr. Ivers Sims; considered and agreed to.

By Mr. ASHCROFT:

S. Con. Res. 26. A concurrent resolution expressing the sense of the Congress that the current Federal income tax deduction for interest paid on debt secured by a first or second home should not be further restricted; to the Committee on Finance.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURBIN (for himself, Mr. DEWINE, Mr. KENNEDY, and Mr. SCHUMER):

S. 805. A bill to amend title V of the Social Security Act to provide for the establishment and operation of asthma treatment services for children, and for other purposes; to the Committee on Finance.

#### THE CHILDREN'S ASTHMA RELIEF ACT OF 1999

Mr. DURBIN. Mr. President, I rise today to make a few remarks concerning a bill that Senator DEWINE and I are introducing today that we hope will improve the lives of many of the nation's asthmatic children.

Asthma is one of the most common chronic conditions in the U.S., affecting an estimated 14.9 million people, causing over 1.5 million emergency department visits and over 5,500 deaths in 1995, and estimated to cost over \$14.5 billion by the year 2000. Asthma deaths have tripled over the past two decades despite improvements in clinical treatment.

Asthma is considered the worst chronic health problem affecting children. Childhood asthma has dramatically increased by over 160 percent since 1980. Currently, 7 percent of the nation's children suffer from asthma. It is particularly prevalent among the urban poor because of the lack of accessible health care and the high number of allergens in the environment. Research supported by the National Institutes of Health demonstrated that the combination of cockroach allergen, house dust mites, molds, tobacco smoke, and feathers are important causes of asthma-related illness and hospitalization among the children in inner-city areas of the United States.

To combat asthma, innovative community-based programs have been developed in some areas to fight this growing public health problem. For example, in Los Angeles the Asthma and Allergy Foundation has set up two "breathmobiles." The converted motor homes, staffed by doctors and nurses, visit schools to test, treat, and educate at-risk children. Since the program began two years ago, there has been a 17 percent decline in the number of children visiting emergency rooms for asthma.

Today, I am introducing with Senator DEWINE "The Childhood Asthma Initiative" to help more communities create childhood asthma programs tailored to meet their local needs. This bill funds grants for state and community-based organizations to support a variety of treatment, educational, or

preventive programs. The funds are targeted to areas where childhood asthma and asthma-associated mortality rates are high. This will enable those areas with the most need to provide services that reduce emergency room visits, create healthier environments, reduce mortality rates from asthma, and provide overall improved quality of life. The bill also helps enroll eligible asthmatic children in Medicaid or State Children's Health Insurance Programs (S-CHIP). Furthermore, the bill provides additional funding for S-CHIP to incorporate asthma screening, treatment, and education in to their programs.

The bill coordinates Federal asthma activities through the National Asthma Education Prevention Program Coordinating Committee, and increases data collection by the CDC on prevalence and mortality associated with asthma. These efforts will help link patients to effective treatments and disseminate new breakthroughs in asthma treatment.

This bill has been endorsed by the National Association of Children's Hospitals and Research Institutions, the American Lung Association, the American Academy of Pediatrics, and the Association of Maternal and Child Health Programs.

I hope that many of my colleagues will join me in supporting this bill. Nobody should die from asthma. Treatments are available. Let us make sure that every child in America that suffers from asthma has access to those treatments.

I ask unanimous consent that a copy of the bill be inserted in the RECORD.

There being no objection, the bill was ordered to be printed, in the RECORD, as follows:

S. 805

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Asthma Relief Act of 1999".

#### SEC. 2. FINDINGS.

(a) FINDINGS.—Congress makes the following findings:

(1) Asthma is one of the Nation's most common and costly diseases. It affects an estimated 14,000,000 to 15,000,000 individuals in the United States, including almost 5,000,000 children.

(2) Asthma is often a chronic illness that is treatable with ambulatory care, but over 43 percent of its economic impact comes from use of emergency rooms, hospitalization, and death.

(3) In Illinois, the mortality rate for blacks from asthma is the highest in the nation with 60.8 deaths per every 1,000,000 population. In Ohio, the mortality rate for blacks from asthma is 32.2 per 1,000,000 population and the mortality rate for whites from asthma is 11.7 per 1,000,000.

(4) In 1995, there were more than 1,800,000 emergency room visits made for asthma-related attacks and among these, the rate for emergency room visits was 48.8 per 10,000 visits among whites and 228.9 per 10,000 visits among blacks.

(5) Hospitalization rates were highest for individuals 4 years old and younger, and

were 10.9 per 10,000 visits for whites and 35.5 per 10,000 visits for blacks.

(6) From 1979 to 1992, the hospitalization rates among children due to asthma increased 74 percent.

(7) It is estimated that more than 7 percent of children now have asthma.

(8) Although asthma can occur at any age, about 80 percent of the children who will develop asthma do so before starting school.

(9) From 1980 to 1994, the most substantial prevalence rate increase for asthma occurred among children aged 0-4 years (160 percent) and persons aged 5-14 years (74 percent).

(10) Asthma is the most common chronic illness in childhood, afflicting nearly 5,000,000 children under age 18, and costing an estimated \$1,900,000,000 to treat those children. The death rate for children age 19 and younger increased by 78 percent between 1980 and 1993.

(11) Children aged 0 to 5 years who are exposed to maternal smoking are 201 times more likely to develop asthma compared with those free from exposure.

(12) Morbidity and mortality related to childhood asthma are disproportionately high in urban areas.

(13) Minority children living in urban areas are especially vulnerable to asthma. In 1988, national prevalence rates were 26 percent higher for black children than for white children.

(14) Certain pests known to create public health problems occur and proliferate at higher rates in urban areas. These pests may spread infectious disease and contribute to the worsening of chronic respiratory illnesses, including asthma.

(15) Research supported by the National Institutes of Health demonstrated that the combination of cockroach allergen, house dust mites, molds, tobacco smoke, and feathers are important causes of asthma-related illness and hospitalization among children in inner-city areas of the United States.

(16) Cities outside the United States have developed and implemented effective systems of cockroach management.

(17) Integrated pest management is a cost-effective approach to pest control that emphasizes prevention and uses a range of techniques, including property maintenance and cleaning, and pesticides as a means of last resort.

(18) Reducing exposure to cockroach allergen, as part of an integrated approach to asthma management, may be a cost-effective way of reducing the social and economic costs of the disease.

(19) No current Federal funding exists specifically to assist cities in developing and implementing integrated strategies to reduce cockroach infestation.

(20) Asthma is the most common cause of school absenteeism due to chronic illness with 10,100,000 days missed from school per year in the United States.

(21) According to a 1995 National Institute of Health workshop report, missed school days accounted for an estimated cost of lost productivity for parents of children with asthma of almost \$1,000,000,000 per year.

(22) According to data from the 1988 National Health Interview Survey (NHIS), which surveyed children for their health experiences over a 12-month period, 25 percent of those children reported experiencing a great deal of pain or discomfort due to asthma either often or all the time during the previous 12 months.

(23) Managing asthma requires a long-term, multifaceted approach, including patient education, behavior changes, avoidance of asthma triggers, pharmacologic therapy, and frequent medical follow-up.

(24) Enhancing the available prevention, educational, research, and treatment resources with respect to asthma in the United States will allow our Nation to address more effectively the problems associated with this increasing threat to the health and well-being of our citizens.

### SEC. 3. CHILDREN'S ASTHMA RELIEF.

Title V of the Social Security Act (42 U.S.C. 701 et seq.) is amended by adding at the end the following:

#### "SEC. 511. ASTHMA TREATMENT GRANTS PROGRAM.

"(a) PURPOSES.—The purposes of this section are as follows:

"(1) To provide access to quality medical care for children who live in areas that have a high prevalence of asthma and who lack access to medical care.

"(2) To provide on-site education to parents, children, health care providers, and medical teams to recognize the signs and symptoms of asthma, and to train them in the use of medications to prevent and treat asthma.

"(3) To decrease preventable trips to the emergency room by making medication available to individuals who have not previously had access to treatment or education in the prevention of asthma.

"(4) To provide other services, such as smoking cessation programs, home modification, and other direct and support services that ameliorate conditions that exacerbate or induce asthma.

"(b) AUTHORITY TO MAKE GRANTS.—

"(1) IN GENERAL.—In addition to any other payments made under this title, the Secretary shall award grants to eligible entities to carry out the purposes of this section, including grants that are designed to develop and expand projects to—

"(A) provide comprehensive asthma services to children, including access to care and treatment for asthma in a community-based setting;

"(B) fully equip mobile health care clinics that provide preventive asthma care including diagnosis, physical examinations, pharmacological therapy, skin testing, peak flow meter testing, and other asthma-related health care services;

"(C) conduct study validated asthma management education programs for patients with asthma and their families, including patient education regarding asthma management, family education on asthma management, and the distribution of materials, including displays and videos, to reinforce concepts presented by medical teams; and

"(D) identify eligible children for the Medicaid program under title XIX, the State Children's Health Insurance Program under title XXI, or other children's health programs.

"(2) AWARD OF GRANTS.—

"(A) APPLICATION.—

"(i) IN GENERAL.—An eligible entity shall submit an application to the Secretary for a grant under this section in such form and manner as the Secretary may require.

"(ii) REQUIRED INFORMATION.—An application submitted under this subparagraph shall include a plan for the use of funds awarded under the grant and such other information as the Secretary may require.

"(B) REQUIREMENT.—In awarding grants under this section, the Secretary shall give preference to eligible entities that demonstrate that the activities to be carried out under this section shall be in localities with in areas of known high prevalence of childhood asthma or high asthma-related mortality (relative to the average asthma incidence rates and associated mortality rates in the United States). Acceptable data sets to demonstrate a high prevalence of childhood

asthma or high asthma-related mortality may include data from Federal, State, or local vital statistics, title XIX or XXI claims data, other public health statistics or surveys, or other data that the Secretary, in consultation with the Director of the Centers for Disease Control and Prevention, deems appropriate.

"(3) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a State agency or other entity receiving funds under this title, a local community, a nonprofit children's hospital or foundation, or a nonprofit community-based organization.

"(c) COORDINATION WITH OTHER CHILDREN'S PROGRAMS.—An eligible entity shall identify in the plan submitted as part of an application for a grant under this section how the entity will coordinate operations and activities under the grant with—

"(1) other programs operated in the State that serve children with asthma, including any such programs operated under this title, title XIX, and title XXI; and

"(2) one or more of the following—

"(A) the child welfare and foster care and adoption assistance programs under parts B and E of title IV;

"(B) the head start program established under the Head Start Act (42 U.S.C. 9831 et seq.);

"(C) the program of assistance under the special supplemental nutrition program for women, infants and children (WIC) under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

"(D) local public and private elementary or secondary schools; or

"(E) public housing agencies, as defined in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a).

"(d) EVALUATION.—An eligible entity that receives a grant under this section shall submit to the Secretary an evaluation of the operations and activities carried out under the grant that includes—

"(1) a description of the health status outcomes of children assisted under the grant;

"(2) an assessment of the utilization of asthma-related health care services as a result of activities carried out under the grant;

"(3) the collection, analysis, and reporting of asthma data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention; and

"(4) such other information as the Secretary may require.

"(e) APPLICATION OF OTHER PROVISIONS OF TITLE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the other provisions of this title shall not apply to a grant made under this section.

"(2) EXCEPTIONS.—The following provisions of this title shall apply to a grant made under this section to the same extent and in the same manner as such provisions apply to allotments made under section 502(c):

"(A) Section 504(b)(4) (relating to expenditures of funds as a condition of receipt of Federal funds).

"(B) Section 504(b)(6) (relating to prohibition on payments to excluded individuals and entities).

"(C) Section 506 (relating to reports and audits, but only to the extent determined by the Secretary to be appropriate for grants made under this section).

"(D) Section 508 (relating to non-discrimination).

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$50,000,000 for each of the fiscal years 2000 through 2004."

### SEC. 4. INCORPORATION OF ASTHMA PREVENTION TREATMENT AND SERVICES INTO STATE CHILDREN'S HEALTH INSURANCE PROGRAMS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall, in accordance with subsection (b), carry out a program to encourage States to implement plans to carry out activities to assist children with respect to asthma in accordance with guidelines of the National Asthma Education and Prevention Program (NAEPP) and the National Heart, Lung and Blood Institute.

(b) RELATION TO CHILDREN'S HEALTH INSURANCE PROGRAM.—

(1) IN GENERAL.—Subject to paragraph (2), if a State child health plan under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) provides for activities described in subsection (a) to an extent satisfactory to the Secretary, the Secretary shall, with amounts appropriated under subsection (c), make a grant to the State involved to assist the State in carrying out such activities.

(2) CRITERIA REGARDING ELIGIBILITY FOR GRANT.—The Secretary shall publish in the Federal Register criteria describing the circumstances in which the Secretary will consider a State plan to be satisfactory for purposes of paragraph (1).

(3) REQUIREMENT OF MATCHING FUNDS.—

(A) IN GENERAL.—With respect to the costs of the activities to be carried out by a State pursuant to paragraph (1), the Secretary may make a grant under such paragraph only if the State agrees to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 15 percent of the costs.

(B) DETERMINATION OF AMOUNT CONTRIBUTED.—Non-Federal contributions required in subparagraph (A) may be in cash or in kind, fairly evaluated, including equipment or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(4) TECHNICAL ASSISTANCE.—With respect to State child health plans under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, in consultation with the heads of other Federal agencies involved in asthma treatment and prevention, shall make available to the States technical assistance in developing the provision of such plans that will provide for activities pursuant to paragraph (1).

(c) FUNDING.—For the purpose of carrying out this section, there is authorized to be appropriated \$5,000,000 for each of the fiscal years 2000 through 2004.

### SEC. 5. PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT; SYSTEMS FOR REDUCING ASTHMA AND ASTHMA-RELATED ILLNESSES THROUGH URBAN COCKROACH MANAGEMENT.

Section 1904(a)(1) of the Public Health Service Act (42 U.S.C. 300w-3(a)(1)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively;

(2) by adding a period at the end of subparagraph (G) (as so redesignated);

(3) by inserting after subparagraph (D), the following:

"(E) The establishment, operation, and coordination of effective and cost-efficient systems to reduce the prevalence of asthma and asthma-related illnesses among urban populations, especially children, by reducing the level of exposure to cockroach allergen through the use of integrated pest management, as applied to cockroaches. Amounts

expended for such systems may include the costs of structural rehabilitation of housing, public schools, and other public facilities to reduce cockroach infestation, the costs of building maintenance, and the costs of programs to promote community participation in the carrying out at such sites integrated pest management, as applied to cockroaches. For purposes of this subparagraph, the term 'integrated pest management' means an approach to the management of pests in public facilities that minimizes or avoids the use of pesticide chemicals through a combination of appropriate practices regarding the maintenance, cleaning, and monitoring of such sites.'";

(4) in subparagraph (F) (as so redesignated), by striking "subparagraphs (A) through (D)" and inserting "subparagraphs (A) through (E)"; and

(5) in subparagraph (G) (as so redesignated), by striking "subparagraphs (A) through (E)" and inserting "subparagraphs (A) through (F)".

#### SEC. 6. COORDINATION OF FEDERAL ACTIVITIES TO ADDRESS ASTHMA-RELATED HEALTH CARE NEEDS.

(a) IN GENERAL.—The Director of the National Heart, Lung, and Blood Institute shall, through the National Asthma Education Prevention Program Coordinating Committee—

(1) identify all Federal programs that carry out asthma-related activities;

(2) develop, in consultation with appropriate Federal agencies and professional and voluntary health organizations, a Federal plan for responding to asthma; and

(3) not later than 12 months after the date of enactment of this Act, submit recommendations to Congress on ways to strengthen and improve the coordination of asthma-related activities of the Federal Government.

(b) REPRESENTATION OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—A representative of the Department of Housing and Urban Development shall be included on the National Asthma Education Prevention Program Coordinating Committee for the purpose of performing the tasks described in subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—Out of any funds otherwise appropriated for the National Institutes of Health, \$5,000,000 shall be made available to the National Asthma Education Prevention Program for the period of fiscal years 2000 through 2004 for the purpose of carrying out this section. Funds made available under this subsection shall be in addition to any other funds appropriated to the National Asthma Education Prevention Program for any fiscal year during such period.

#### SEC. 7. COMPILATION OF DATA BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION.

(a) IN GENERAL.—The Director of the Centers for Disease Control and Prevention, in consultation with the National Asthma Education Prevention Program Coordinating Committee, shall—

(1) conduct local asthma surveillance activities to collect data on the prevalence and severity of asthma and the quality of asthma management, including—

(A) telephone surveys to collect sample household data on the local burden of asthma; and

(B) health care facility specific surveillance to collect asthma data on the prevalence and severity of asthma, and on the quality of asthma care; and

(2) compile and annually publish data on—

(A) the prevalence of children suffering from asthma in each State; and

(B) the childhood mortality rate associated with asthma nationally and in each State.

(b) COLLABORATIVE EFFORTS.—The activities described in subsection (a)(1) may be conducted in collaboration with eligible entities awarded a grant under section 511 of the Social Security Act (as added by section 3).

Mr. DEWINE. Mr. President, today I join with my colleague, Senator DURBIN, in introducing the "Children's Asthma Relief Act of 1999." This bill would authorize \$50 million for each of 5 years for the Secretary of Health and Human Services to award grants to eligible entities to develop and expand projects to provide asthma services to children. These grants may also be used to equip mobile health care clinics that provide asthma diagnosis and asthma-related health care services, educate families on asthma management, and identify and enroll uninsured children who are eligible for but not receiving health coverage under Medicaid or the State Children's Health Insurance Program (SCHIP). The ability to identify and enroll children in these programs will ensure that children with asthma receive the care they need.

Research supported by the NIH has shown that the combination of cockroach waste, house dust mites, molds, tobacco smoke, and feathers (among other allergens) contribute to asthma-related illness and hospitalization. Children living in urban areas are especially susceptible.

Asthma is the most common chronic illness that forces children to miss school. From 1979 to 1992, the hospitalization rates among children due to asthma increased 74 percent. Estimates show that more than 7% of children now suffer from asthma. Hospitalization rates were highest for individuals 4 years old and younger. According to 1998 data from the Center for Disease Control (CDC) my home state of Ohio ranks about 17th in the estimated prevalence rates for asthma. Nationwide, the most substantial prevalence rate increase for asthma occurred among children aged 4 years old and younger.

I believe that an important component of this bill is that it requires those receiving grants to coordinate with current children's health programs such as the Maternal and Child Health Program, Medicaid, the State Children's Health Insurance Program, supplemental nutrition programs, and child welfare, foster care and adoption assistance programs. This type of coordination with other children's programs will help to ensure not just a better targeting of funding, but also will help to identify children in these programs who are asthmatic and may otherwise remain undetected and untreated.

This bill would authorize \$5 million for each of 5 years for the Secretary of HHS to award matching grants to states that develop plans to carry out asthma-related programs for children according to NIH guidelines through the state children's health insurance programs.

Since research shows that children living in urban areas suffer from asthma at such alarming rates and that allergens such as cockroach waste contribute to the onset of asthma, this bill adds urban cockroach management to the current preventive health services block grant which can currently be used for rodent control. To reduce roach allergens, this block grant could be used to cover the costs of structural rehabilitation of public housing, schools, and other public facilities to control roach infestation, while minimizing or avoiding the use of pesticides.

This bill would require that NIH give the National Asthma Education Prevention Program (within NIH) an additional \$5 million for each of 5 years to develop a federal plan for responding to asthma and to submit recommendations to Congress on ways to strengthen and better coordinate federal asthma-related activities.

To better monitor the prevalence and determine which areas have the greatest incidences of children with asthma, this bill would require CDC to conduct local asthma surveillance activities to collect data on the prevalence and severity of asthma and to annually publish data on the prevalence rates of asthma among children and on the childhood mortality rate. This surveillance data will help us better detect asthmatic conditions so that more children can be treated and we can ensure that we are targeting our resources in an effective and efficient way to reverse the disturbing trend in the hospitalization and death rates of children who suffer from asthma.

Mr. President, I urge my colleagues to support this very important initiative to help the nearly 5 million children who have been diagnosed with asthma and to help those who suffer from asthma but who remain untreated.

By Mr. ASHCROFT (for himself,  
Mrs. HUTCHISON, Mr. INHOFE,  
and Mr. KYL):

S. 806. A bill to amend the Internal Revenue Code of 1986 to reduce the 15 percent individual income tax rate to 10 percent over 5 years, to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals, and for other purposes; to the Committee on Finance.

Mr. ASHCROFT. Mr. President, on this April 15, I would like to raise the issue of tax freedom and fairness. The American people are paying over one-fifth of Gross Domestic Product in taxes—the highest share of taxation since World War II and the highest peacetime levels in history. Too much of this burden falls on middle-income earners, who are struggling to juggle the high tax burden with the more important demands of their own families.

It is for these hard-working Americans that I am introducing the Taxpayer Freedom and Fairness Act—legislation that is designed to reduce the

tax burdens on lower and middle-income taxpayers. This goal can be accomplished in two ways, through marginal rate reductions for low and middle income earners, or by making the payroll tax deductible for individuals. Those individuals and families on the lower half of our income ladder need and deserve tax relief and I am committed to providing them that relief.

Tax relief is necessary because many middle-income earners are paying levels of taxes that severely diminish their ability to care for and support their families. Under current law, single taxpayers will pay 15% on the first \$25,750 of taxable income they earn. Combining this with the 15% payroll tax, those earning under \$26,000 are paying 30% of taxable income to the federal government. Those earning a taxable income of \$26,000 are by no means rich—and should not be taxed as if they were.

Given the burden on workers, it is incumbent upon us to provide them with tax relief. The Taxpayer Freedom and Fairness Act provides two ways to deal with these unconscionably high tax levels. The first is to provide these lower and middle income earners with real rate relief. I have proposed reducing the 15% tax rate to 10%. According to Congress' Joint Committee on Taxation, reducing the 15% income tax rate to 10% over five years would provide taxpayers with \$980 billion in tax relief over the next decade. That means the average two-income family of four would save \$2,200 annually. An individual with a taxable income of \$25,000 would save \$1,250 annually once the rate reduction was fully in place.

This is a tax cut designed primarily to benefit hard-working low- and middle-income Americans. Reducing the rate from 15% to 10% would save the average Missouri households \$1,170. This kind of tax relief is especially welcome in Missouri, where, according to the Tax Foundation, the burden of state and local taxes has grown dramatically in recent years. In recent years, the tax burden in Missouri has risen from the low rank of 47th in the nation to the 16th highest.

Across the country, nearly two-thirds of the relief would flow to households earning less than \$75,000. Less than 4% of the tax relief would flow to households earning more than \$200,000. This is real tax relief directed at middle class earners.

A second way to accomplish this important goal is through marriage penalty relief. It should be our goal as a society to encourage young couples to get married. Marriage is a sacred institution that promotes family and community stability. More marriage is an unmitigated good for this country.

Unfortunately our tax system does not see it as such. The current federal income tax system forces many married couples to pay a "marriage penalty." That is, they are required to pay more federal income tax than they would have paid had they been single and filed their taxes separately.

This is fundamentally unfair. The tax code should not punish marriage, our society's most basic and essential institution.

Under current law, two single taxpayers, each earning \$35,000 and claiming standard deductions, will each pay \$4,558.50 in federal income tax.

If those taxpayers marry each other, the tax code would boost their combined tax bill by \$1,478 to \$10,595. This almost \$1,500 penalty is a serious disincentive to middle-income couples looking to get married. This disincentive represents an unacceptable attack on the institution of marriage. This issue resonates particularly strongly in Missouri. 1,052,518 out of 2,416,434 Missouri tax filers file joint returns.

The marriage penalty has been part of the tax code since 1969. Since then, the burden of the penalty has grown enormously. In fact, the Joint Economic Committee estimates married couples now pay \$29 billion in taxes every year that they otherwise would not have paid had they been single. It is time to abolish the marriage penalty and create a new day of freedom for American families to keep more of the money they work so hard to earn.

I have long advocated elimination of the marriage penalty. In addition to the Taxpayer Freedom and Fairness Act, I am also a co-sponsor of Senator HUTCHISON's bill to eliminate the marriage penalty. I also included the elimination of the marriage penalty as a provision in my Fair Flat tax proposal. Eliminating the marriage penalty should be one of the Senate's top tax priority for 1999.

It is time to provide real tax relief to those who need it most. The middle class should no longer have to pay 43% of incomes to the federal government. Married couples should no longer pay a penalty just for being married. The best ways to solve these problems are to reduce marginal tax rates and to eliminate this penalty on married couples. I urge my colleagues to vote for the Taxpayer Freedom and Fairness bill, and bring freedom and fairness to taxpayers this April 15th.

By Mr. ASHCROFT:

S. 807. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Finance.

WORKING AMERICANS WAGE RESTORATION ACT

Mr. ASHCROFT. Mr. President, on today's tax filing deadline, Americans feel the burden of our tax system most acutely. According to the Tax Foundation, an American family spends more of their family budget on taxes than on health care, food, clothing, and shelter combined. The economic anxiety so many of our Americans feel can be directly attributed to the federal government's excessive taxation.

One of the main culprits in this dramatic increase in taxes has been the

sharp rise in federal payroll taxes. Payroll taxes have increased 13.3 percent since 1949, and the maximum taxable income for payroll taxes have risen from \$3,000 to \$72,600.00 in the same period. As a result, almost three-quarters of all families paying taxes pay more in Social Security taxes than they do in income taxes.

In addition to their high rates, the payroll tax is also an unjust tax-on-a-tax. When working Americans receive their paychecks—their gross income—they pay a variety of payroll taxes, such as Social Security and Medicare, on that gross income. When they pay their income taxes, they pay on the full amount of their paychecks, including the payroll taxes previously withheld—money that they never saw and that went straight to the government's coffers. And to add insult to this injury, taxpayers' employers are allowed to deduct their share of payroll taxes, but the taxpayers themselves cannot.

This constitutes double taxation on the wages of the American people. First they pay the payroll taxes off their gross income, and then they are taxed on the amount of the gross income, as if the payroll taxes had never been taken away.

It is because of these high rates and this double-taxation that I am introducing legislation to eliminate the unfair tax-on-a-tax, giving the American people the same tax benefits as their employers. Under my proposal, workers will be able to deduct the 6.2 percent of their paychecks taken by the government for Social Security taxes. This would provide much overdue tax relief to middle class workers across the country who get hit hardest by both Social Security and income taxes. My proposal would save the average two-income American family \$1,770 a year in taxes.

This relief is necessary because many middle-income earners are paying levels of taxes that severely diminish their ability to care for and support their families. Under current law, single taxpayers will pay 15% on the first \$25,750 of taxable income they earn. After that point, their tax levels jump to 28% on federal tax alone. Combined with the 15% payroll tax burden, our system is structured so that individuals earning between \$25,750 and \$62,450 are paying 43% of their incomes in federal taxes.

It is a scandal that Missourians making \$25,750 are forced to sacrifice to the federal government 43% of each additional dollar they earn. Those earning a taxable income of \$25,750 are by no means rich—and should not be taxed as if they were.

In fact, the payroll tax is aimed right at the heart of the middle class. The payroll tax is a direct levy of 15% on incomes up to \$72,600. After that point, the payroll tax is not in effect. This means that the payroll tax constitutes a much greater burden on the poor and the middle class. According to the Congressional Budget Office, 74% of all

families pay more in total Social Security payroll taxes than they pay in income taxes.

In addition to costing the poor and middle class more, the payroll tax also burdens individuals more than businesses. Although employers and employees both have to pay 7.65% of a worker's income in payroll taxes, this burden strikes individuals disproportionately. Employers currently have the ability to deduct payroll taxes as a business expense. Employees do not have this same option. In the interest of fairness, employees and self-employed individuals—even those who do not itemize—should have the same opportunity.

It is for these reasons—the high rates, the double taxation, the overall tax burden, the disproportionate impact on lower and middle-income wage earners—that taxpayers need to have a payroll tax deduction. Americans should no longer be forced to pay federal income tax on their Social Security payroll taxes.

Providing payroll tax relief would not be a tax cut for the rich, but a tax cut for the poor and the middle class, who are paying payroll taxes from their first dollar of earnings. If taxpayers were no longer forced to pay income tax on their Social Security taxes, the average two-income family would see its annual tax bill slashed \$1,400.

This change would be extremely helpful to taxpayers in my home state of Missouri. 85% of Missouri tax filers, over two million Missourians, pay payroll taxes and would benefit from this deduction.

Employers, who are already able to deduct payroll taxes, overwhelmingly support making this change to help their workers. According to a National Federation of Independent Business survey of small business owners, 73% support making the employee share of the payroll tax fully deductible. These employers know what a burden the double-tax imposes on workers, and these employers understand better than anyone the importance of making the payroll tax deductible.

Preliminary estimates suggest that this proposal would increase the gross domestic product of 0.5% and produce 500,000 new jobs. Making the payroll tax deductible is good for workers, good for businesses, good for Missouri, and good for the American economy.

Mr. President, the case is clear: it is time to make the payroll tax deductible. On this April 15, let us dedicate ourselves to providing payroll tax relief to American workers. I urge my colleagues to join me in support of this legislation.

By Mr. JEFFORDS (for himself and Mr. CHAFEE):

S. 808. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes; to the Committee on Finance.

#### THE CONSERVATION TAX INCENTIVES ACT OF 1999

Mr. JEFFORDS. Mr. President, on this day when Americans must file their tax returns, I am introducing the Conservation Tax Incentives Act of 1999, a bill that will result in a reduction in the capital gains tax for landowners who sell property for conservation purposes. This bill creates a new incentive for private, voluntary land protection. This legislation is a cost-effective non-regulatory, market-based approach to conservation, and I urge my colleagues to join me in support of it.

Our tax code already has a tax incentive to encourage people to donate land for conservation purposes or to donate conservation easements. The charitable contribution deduction provides this incentive, and this deduction has been instrumental in the conservation of environmentally significant land across the country.

Not all land worth preserving, however, is owned by people who are able to give it away. For many landowners, their land is their primary financial asset, and they simply cannot afford to donate it for conservation purposes. While they might like to see their land preserved in its undeveloped state, the tax code's incentive for donations is of no help to them.

The Conservation Tax Incentives Act will provide a new tax incentive for sales of land for conservation by reducing the amount of income that landowners would ordinarily have to report—and pay tax on—when they sell their land. The bill provides that when land is sold for conservation purposes, only one half of any gain will be included in income. The other half can be excluded from income; the effect of this exclusion is to cut in half the capital gains tax the seller would otherwise have to pay. The bill will enable landowners to permanently protect their property's environmental value without forgoing the financial security it provides. The bill's benefits are available to landowners who sell land either to a government agency or to a qualified nonprofit conservation organization. They are also available when landowners sell partial interests in land for conservation. Thus owners of farms and forests may be able to take advantage of the bill's benefits, yet still continue to harvest crops or timber from their land, if they sell a conservation easement on the property. The purchaser must provide the seller with a letter of intent manifesting the purchaser's intent that the land acquisition will serve such conservation purposes as protection of fish, wildlife or plant habitat, or provision of open space for agriculture, forestry, outdoor recreation or scenic beauty.

Land is being lost to development and commercial use at an alarming rate. By Department of Agriculture estimates, more than four square miles of farmland are lost to development every day, often with devastating effects on the habitat wildlife need to

thrive. Without additional incentives for conservation, we will continue to lose ecologically valuable land.

This bill provides an incentive-based means for accomplishing conservation in the public interest. It helps tax dollars accomplish more, allowing public and charitable conservation funds to go to higher-priority conservation projects. Preliminary estimates indicate that with the benefits of this bill, nine percent more land could be acquired, with no increase in the amount governments currently spend for conservation land acquisition. At a time when little money is available for conservation, it is important that we stretch as far as possible the dollars that are available.

State and local governments will be important beneficiaries of this bill. Many local communities have voted in favor of raising taxes to finance bond initiatives to acquire land for conservation. My bill will help stretch these bond proceeds so that they can go further in improving the conservation results for local communities. In addition, because the bill applies to sales to publicly-supported national, regional, State and local citizen conservation groups, its provisions will strengthen private, voluntary work to save places important to the quality of life in communities across the country. Private fundraising efforts for land conservation will be enhanced by this bill, as funds will be able to conserve more, or more valuable, land.

Let me provide an example to show how I intend the bill to work. Let's suppose that in 1952 a young couple purchased a house and a tract of adjoining land, which they have maintained as open land. Recently, the county where they live passed a bond initiative to buy land for open space, as county residents wanted to protect the quality of their life from rampant development and uncontrolled sprawl. Let's further assume that the couple, now contemplating retirement, is considering competing offers for their land. One offer comes from the county, which will preserve the land in furtherance of its open-space goals. The other offer has been made by an individual who does not plan to conserve the land. Originally purchased for \$25,000, the land is now worth \$250,000 on the open market. If they sell the land at its fair market value to the individual, the couple would realize a gain of \$225,000 (\$250,000 sales price minus \$25,000 cost), owe tax of \$45,000 (at a rate of 20% on the \$225,000 gain), and thus net \$205,000 after tax.

Under my bill, if the couple sold the land to the county for conservation purposes, they would be able to exclude from income one half of the gain realized upon the sale. This means they would pay a lower capital gains tax; consequently, they would be in a position to accept a lower offer from a local government or a conservation organization, yet still end up with more money in their pockets than they